



Hawaii Public Housing Authority
State of Hawaii

RFP No. RFP-SPB-2016-41

Request for Proposals to Issue Section 8 Veterans Affairs
Supportive Housing Project Based Choice Vouchers to a
Qualified Firm or Organization Statewide

Issued August 30, 2016



Notice to Offerors
(Chapter 103D, Hawaii Revised Statutes)

REQUEST FOR PROPOSALS (RFP) No. RFP PMB-2016-41

Notice is hereby given that pursuant to chapter 103D, Hawaii Revised Statutes ("HRS"), the Hawaii Public Housing Authority ("HPHA"), will be accepting sealed proposals for:
Issuance of Section 8 Veterans Affairs Supportive Housing Project Based Vouchers to a Qualified Firm or Organization Statewide

The Request for Proposals may be picked up at the HPHA's Contract and Procurement Office located at 1002 North School Street, Building D, Honolulu, Hawaii 96817 or downloaded at the HPHA website at: www.hpha.hawaii.gov beginning Tuesday, August 30, 2016. Interested offerors must have knowledge and experience with the Section 8 housing choice voucher program.

The HPHA's Contract and Procurement Office will conduct a Pre-Proposal Conference on Thursday, September 1, 2016 from 10:30 a.m. to 11:30 a.m. Hawaii Standard Time (HST) at the HPHA Building A Conference Room No. 1, 1002 North School Street, Honolulu, Hawaii 96817. The HPHA strongly recommends that all interested offerors attend.

Sealed proposals will be received at the HPHA's Central Files Office at 1002 N. School Street, Bldg. D, Honolulu, Hawaii 96817 until 2:00 p.m. HST on Tuesday, September 6, 2016. Electronic mail and facsimile transmissions **shall not** be accepted. The official receipt time for all proposals shall be the date/time stamp of the HPHA. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered by the United States Postal Service **must be received** not later than 2:00 p.m. HST, Tuesday, September 6, 2016.

The HPHA reserves the right to reject any or all proposals and to accept the proposals in whole or part in the best interest of the State. Questions relating to this solicitation shall be directed to Rick Sogawa, RFP Coordinator at (808) 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Hakim Ouansafi
Executive Director



Section 1

Administrative Overview

I. Authority

The Hawaii State Legislature established the Hawaii Public Housing Authority ("HPHA") under chapter 356D, HRS. The HPHA provides low income housing in the State of Hawaii and is administratively attached to the Department of Human Services. The HPHA is a public body and a body corporate and politic of the State of Hawaii. The HPHA's role is to address the housing needs of families in Hawaii.

The HPHA is requesting proposals from qualified firms and/or organizations to issue from 35 to 75 Veterans Affairs Supportive Housing (VASH) Project Based Vouchers. The HPHA seeks to partner with a qualified firm and/or organization to preserve the supply of affordable housing for veterans statewide.

A determination has been made that the HPHA is unable to secure services through a low bid process. Factors included in the determination were 1) Price is not the primary consideration in determining an award; 2) The resulting Contract needs to be other than a fixed-price type; 3) The specifications for the services cannot be sufficiently described through a low bid process; 4) Oral or written discussions need to be conducted with interested offerors concerning their proposals; 5) Interested offerors may need to revise their proposals, including price; and 6) The award needs to be based on a comparative evaluation in order to determine the most advantageous offering to the State. To that end, a low bid process is not practicable for the HPHA to secure qualified firms and/or organizations to participate in the HPHA's VASH Project Based Voucher Program.

This Request For Proposals ("RFP") is issued under the provisions of chapter 103D, HRS, and the related administrative rules. Interested offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a proposal by an interested offeror shall constitute admission of such knowledge on the part of such interested offeror.

II. RFP Organization

This RFP is organized into five (5) sections:

- Section 1 Administrative Overview – Provides interested offerors with an overview of the procurement and contracting process.
- Section 2 Scope of Work – Provides interested offerors with a general description of the tasks to be performed, delineates interested offeror's responsibilities, and defines deliverables as applicable.

Section 3 Proposal Form and Instructions – Describes the required format and content for the proposal.

Section 4 Proposal Evaluation & Award– Describes how proposals will be evaluated.

Section 5 Attachments

III. Contracting Office

The Contracting Office is responsible for overseeing the procurement for the services requested in this RFP. The Contracting Office is:

Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

The RFP Coordinator or his/her designated representative is listed below:

Mr. Rick Sogawa
Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, Hawaii 96817

Telephone: (808) 832-6038
Fax: (808) 832-6039

Email: rick.t.sogawa@hawaii.gov

The HPHA reserves the right to change the RFP Coordinator without prior written notice.

The Section 8 Subsidy Programs Branch (S8SPB) is the office responsible for executing, administering and monitoring the resulting Contract. The designated Contract Administrator or his/her designated representative is responsible for monitoring the activities performed under the Contract and is listed as follows:

Ms. Stephanie Fo
Hawaii Public Housing Authority
Section 8 Subsidy Programs Branch
1002 North School Street, Bldg. H
Honolulu, Hawaii 96817

Telephone: (808) 832-5933
Email: Stephanie.L.Fo@hawaii.gov

The HPHA reserves the right to change the Contract Administrator. Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Successful Offeror. Once the Successful Offeror has received the

Notice to Proceed, all communications regarding approvals, reports, and requests will be directed to the Contract Administrator.

IV. Procurement Timeline

<u>Activity</u>	<u>Scheduled Dates</u>
Public notice announcing RFP	August 30, 2016
Distribution of proposal specs/proposal form	August 30, 2016
Pre-Proposal Conference	September 1, 2016
Deadline to submit written inquiries	September 1, 2016
State response to written inquiries	September 2, 2016
Proposal submittal deadlines	September 6, 2016; 2:00 p.m. HST
Proposal review	September 7-8, 2016
Notice of award	September 8-9, 2016

The HPHA reserves the right to amend or revise the timetable without prior written notice when it is in the best interests of the State.

V. Pre-Proposal Conference

The HPHA Contract and Procurement Office will conduct a Pre-Proposal Conference from 10:30 a.m. to 11:30 a.m., HST on Thursday, September 1, 2016 at the HPHA Building A Conference Room No. 1, 1002 North School Street, Honolulu, Hawaii 96817. The HPHA strongly recommends that all interested offerors attend.

Prior to submittal of the proposal, it is highly recommended that interested offerors inspect the properties to become familiar with existing conditions, and the extent and nature of work to be performed. Once the Successful Offeror has received the Notice to Proceed, all communications regarding approvals, reports, and requests will be directed to the Contract Administrator.

Impromptu questions will be permitted at the Pre-Proposal Conference and verbal answers may be provided. Verbal answers provided by the HPHA are not binding and only intended for general guidance purposes. Formal written responses to substantive questions will be provided to each registered interested offeror as set forth in Section VI of this RFP.

VI. Submission of Questions

Interested offerors may submit written questions to the RFP Coordinator identified in Section 1 of this RFP. The deadline for submission of written questions is Thursday, September 1, 2016. All written questions will receive a written response from the HPHA. The HPHA does not guarantee receipt of questions submitted via electronic mail. The HPHA's responses to written questions shall be issued as an addendum to the RFP and will be sent to all registered interested offerors via mail, electronic mail, or facsimile not later than Friday, September 2, 2016. Any changes to the RFP will be issued as an addendum to this RFP.

VII. Submission of Sealed Proposals

- A. **Forms/Formats.** Proposal forms and formats such as the price proposal are included in Section 5 – Attachments of this RFP.
- B. **Proposal Submittal.** Sealed proposals shall be received at the HPHA Central Files Office at 1002 N. School Street, Bldg. D, Honolulu, Hawaii 96817 not later than 2:00 p.m. HST, Tuesday, September 6, 2016. The official receipt date/time shall be the date/time stamped at the HPHA Central Files Office for mail-in and hand-delivered proposals. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered by the United States Postal Service **must be received** not later than 2:00 p.m. HST, Tuesday, September 6, 2016. **Electronic submissions such as electronic mail and facsimile transmissions shall not be accepted.**

Sealed Proposals should be addressed to:

Hawaii Public Housing Authority
1002 N. School Street
Central Files Office, Building D
Honolulu, Hawaii 96817
Attn: Mr. Rick Sogawa, RFP Coordinator

The register of proposals and proposals received shall be made available for public inspection after award of the Contract.

- C. **Pre-opening Modification or Withdrawal.** Proposals may be modified or withdrawn prior to the deadline for submittal of proposals by written notice to modify or withdraw the proposal. All requests for modifications shall be sealed, accompanied by the actual modifications to the proposals and signed by an authorized representative in accordance with section 3-122-16.07, Hawaii Administrative Rules (HAR).

The written request must be submitted to the HPHA, Contract and Procurement Office, 1002 North School Street, Bldg D, Honolulu, Hawaii 96817 and time stamped by the HPHA. Modifications and/or withdrawals shall be clearly marked and must be received by the HPHA not later than 2:00 p.m. HST, Tuesday, September 6, 2016.

- E. **Confidential Information.** If an interested offeror believes that any portion of a proposal contains information that should be withheld as confidential, the interested offeror shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support the designation of confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the

proposal documents to facilitate eventual public inspection of the non-confidential sections of the proposal documents. Note that **price and the provision of the minimum required services are not considered confidential and will not be withheld.**

Interested offerors that chose to identify portions of their proposal as confidential shall be responsible to ensure that price and the minimum services are not included. The HPHA will not make any determination of confidentiality for the interested offeror.

If a proposal is marked confidential in its entirety, the HPHA will not make a determination of confidentiality and will refer the request for information to the State Office of Information Practices.

- F. **Exceptions.** Interested offerors shall list in their proposal any exceptions made to the terms, conditions, specifications, or other requirements listed herein. Interested offerors must reference the RFP section where the exception is made, provide a description of the exception made, and any proposed alternative. The HPHA shall retain the right to grant exceptions to discretionary policies. Requests for exceptions to State, Federal, or local laws shall not be approved.

- G. Information shall be made confidential as permitted by law.

VIII. Discussion with Offerors Prior to Proposal Submission

Discussions may be conducted with interested offerors to promote understanding of the HPHA requirements.

IX. Opening of Proposals

Upon receipt of proposals by the HPHA at the designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date/time-stamped. All documents so received shall be held in a secure place by the HPHA and shall not be examined for evaluation purposes until the submittal deadline. Procurement files shall be made available to public inspection after a contract has been awarded and executed by all parties. Sealed proposals shall not be opened publicly.

X. Additional Materials and Documentation

Proposal samples or descriptive literature should not be submitted unless specifically requested within the RFP. Any unsolicited documentation, literature, samples, or brochures will not be examined or tested, and will not be deemed to vary any of the provisions of this RFP.

XI. RFP Amendments

The HPHA reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals. Interested offerors will be notified of the availability of amendments through verbal or written communication.

XII. Additional Terms and Conditions

The HPHA reserves the right to add terms and conditions during contract negotiations and discussions. These terms and conditions may be within the scope of the RFP and will not affect the proposal evaluation.

XIII. Cancellation of the Request for Proposals

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when determined by the HPHA to be in the best interest of the State.

XIV. Costs for Proposal Preparation and Verification

Any costs incurred by interested offerors in preparing or submitting a proposal are the interested offeror's sole responsibility. Any costs incurred by the Successful Offeror prior to the execution of a Contract are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the RFP shall be the interested offeror's sole responsibility.

Interested offerors shall ensure that the HPHA is provided with the written authorization(s) necessary to verify information provided in the interested offeror's proposal.

XV. Mistakes in Proposals

While interested offerors are bound by their proposals, circumstances may arise where a correction or withdrawal of proposals is proper. An obvious mistake in a proposal may be corrected or withdrawn, or waived by the interested offeror to the extent that it is not contrary to the best interest of the HPHA or to the fair treatment of other interested offerors. Mistakes in proposals shall be handled in accordance with section 3-122, HAR.

XVI. Rejection of Proposals

The HPHA reserves the right to consider as acceptable only those proposals submitted in accordance with the requirements set forth in this RFP and which demonstrate an understanding of the service specifications. A proposal may be rejected without further notice if it is:

1. Determined to be unreasonable in price, including not only the total price of the proposal, but the prices for individual items as well; or
2. Determined to offer a set of terms or conditions that are contradictory to the minimum requirements included in this RFP.

XVII. Notice of Award

Any Contract arising out of this solicitation is subject to the approval by the Department of the Attorney General as to form, and to all further approvals, including the approval of HUD as may be required by State statute, regulation, rule, order or other directive.

The Successful Offeror shall receive a Notice of Award, which will indicate that the Successful Offeror has been selected to provide property management, maintenance and resident services under this RFP.

No work is to be undertaken by the Successful Offeror prior to the Contract commencement date. The HPHA shall not be liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Offeror prior to the Contract starting date.

XVIII. Protests

Pursuant to section 103D-701, HRS, an actual or prospective offeror who is aggrieved in connection with the solicitation or award of a contract may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by chapter 103D, HRS.
- (2) A state purchasing agency's failure to follow any rule established by chapter 103D, HRS.
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the listed Procurement Officer who is conducting the procurement within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto. A protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offerors. And a protest of an award or proposed award shall be submitted within five (5) days after the posting of award of the contract. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State Contracting Office. Any notice of award letter(s), resulting from this solicitation shall be posted on the Procurement Reporting System on the State Procurement Office website at <http://www.hawaii.gov/spo2/source/>.

Head of State Contracting Office	Procurement Officer
Name: Mr. Hakim Ouansafi	Name: Mr. Rick Sogawa
Title: Executive Director	Title: Procurement Officer
Mailing P.O. Box 17907	Mailing P.O. Box 17907
Address: Honolulu, Hawaii 96817	Address: Honolulu, Hawaii 96817
Business 1002 N. School St, Bldg. E	Business 1002 N. School St, Bldg. D
Address: Honolulu, Hawaii 96817	Address: Honolulu, Hawaii 96817

XIX. Availability of Funds

The award of a Contract and any allowed renewal or extension thereof, are subject to allotments made by the Director of Finance, State of Hawaii, pursuant to chapter 37, HRS, and subject to the availability and allotment of State and/or Federal funds.

XX. Monitoring and Evaluation

The Successful Offeror's performance under the Contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, and may be monitored by HUD, the HPHA auditors, the State Legislature, and/or other designated representatives.

Failure to comply with all material terms of the Contract may be cause for suspension or termination as provided in the General Conditions. The Successful Offeror may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the HPHA. These additional reports shall not be considered a change to the Scope of Work and shall continue for a duration of time as deemed necessary by the HPHA.

XXIII. Campaign Contributions by State and County Contractors Prohibited

If awarded a Contract in response to this solicitation, the Successful Offeror agrees to comply with section 11-355, HRS, which states that campaign contributions are prohibited from a State and County government Contractor during the term of the Contract, if the Contractor is paid with funds appropriated by the legislative body between the execution of the Contract through the completion of the Contract.

(END OF SECTION)

Section 2 Scope of Work

I. Introduction

A. Purpose or need

On July 1, 2016, the U.S. Department of Housing and Urban Development (HUD) issued a Notice of Set-Aside Funding Availability to competitively award Project-based HUD-Veterans Affairs Supportive Housing (VASH) vouchers to Public Housing Agencies who administer the VASH program in partnership with their local Veterans Affairs Medical Center. PBV assistance provides rental subsidies paid on behalf of eligible families who live in units that are contracted under the program. Project-based VASH vouchers are designated specifically for homeless veterans to access affordable housing with an array of supportive services. **In this solicitation, the HPHA seeks proposals from qualified firms and/or organizations who will commit at a minimum 35 units but not more than 75 units of housing that will receive assistance through Project-based VASH vouchers.**

Conditioned upon and subject to the HPHA's successful award of Project-based VASH funding, pursuant to the NOFA, the HPHA will offer the Successful Offeror(s) of selected quality affordable housing an allowance of vouchers that can be attached to designated units of their rental housing. The Successful Offeror(s) will gain the benefit of a Housing Assistance Payments (HAP) Contract with the HPHA ensuring a Section 8 approved rent for their properties for an extended period. Eligible veterans and their families who are extremely low-income, households at 50% Area Median Income or below, will gain the benefit of quality affordable housing combined with VA sponsored supportive services.

The Project-Based Voucher (PBV) Program regulations are set forth in the Code of Federal Regulations, Title 24, Part 983. A copy of these regulations is available at www.ecfr.gov.

B. Funding source and period of availability

Funds are subject to award by HUD to the HPHA. Funding and period of availability may change upon notice by the HPHA.

It is understood that the HAP Contract shall not be binding, unless the HPHA can document that there is available an unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the HAP Contract. Any HAP Contract entered into as a result of this RFP is binding only to the extent that funds are certified as available and that the availability of funds in excess of the amount certified as available shall be contingent upon future

appropriations or special fund revenues.

II. General Requirements

A. Qualifying Requirements

1. The Successful Offeror shall have no outstanding balances owing to the HPHA. Exceptions may be granted by the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.
2. Interested offerors are advised that if awarded a HAP Contract, the Successful Offeror must furnish proof of compliance with the requirements of section 3-122-112, HAR:
 - a. Chapter 237, HRS, tax clearance;
 - b. Chapter 383, HRS, unemployment insurance;
 - c. Chapter 386, HRS, workers' compensation;
 - d. Chapter 392, HRS, temporary disability insurance;
 - e. Chapter 393, HRS, prepaid health care; and
 - f. One of the following:

- i. Be registered and incorporated or organized under the laws of the State of Hawaii as a Hawaii business as follows:

Hawaii business. A business entity referred to as a Hawaii business is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, the interested offeror shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business doing business as a sole proprietorship is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Offeror's status as sole proprietor or other business entity and its business street address will be used to confirm that the Successful Offeror is a Hawaii business.

- ii. Be registered to do business in the State of Hawaii as a compliant non-Hawaii business as follows:

Compliant non-Hawaii business. A business entity referred to as a compliant non-Hawaii business is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the interested offeror shall submit a *CERTIFICATE OF GOOD STANDING*.

The above certificates should be submitted with the interested offeror's proposal to the HPHA. If a valid certificate is not submitted timely for award of a Contract, a proposal otherwise responsive and responsible may not receive the award.

4. Business Office

The Successful Offeror shall have, at a minimum, a telephone number and electronic mail address from which it conducts business and is accessible by telephone from 7:45 a.m. to 4:30 p.m. HST for meetings, teleconferences, video conferences, concerns or requests that need immediate attention. An answering service is not acceptable. An office location, phone number and electronic mail address shall be stated in the interested offeror's proposal.

5. Certifications of Eligibility

Interested offerors are required to submit the following documents with their proposal to the HPHA to demonstrate compliance with State laws:

- a. Tax Clearance, Form A-6;
- b. Department of Labor and Industrial Relations, Application for Certificate of Compliance, Form LIR #27; and
- c. Certificate of Good Standing issued by the Department of Commerce and Consumer Affairs Business Registration Division ("BREG").

Alternatively, the interested offeror may demonstrate compliance utilizing the Hawaii Compliance Express ("HCE"), which allows businesses to register online through a simple wizard interface at:

<http://vendors.ehawaii.gov/hce/splash/welcome.html>

The HCE provides the applicant with a "Certificate of Vendor Compliance" with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Interested offerors that elect to use the HCE services will be required to pay an annual fee of \$12.00 to the Hawaii Information Consortium, LLC ("HIC").

6. Indemnification

The Successful Offeror shall defend, indemnify, and hold harmless the State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees, from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Successful

Offeror or the Successful Offeror's officers, employees, agents or subcontractors.

B. Type of Contract

1. The HPHA will enter into a Housing Assistance Payments (HAP) Contract for existing housing and an Agreement to Enter into a Housing Assistance Payments Contract (AHAP) and a HAP for new construction/rehabilitation with the Successful Offeror once the units pass a Housing Quality Standards (HQS) inspection. A Successful Offeror of newly constructed and rehabilitated units must complete the units and pass an HQS inspection before the HPHA will execute a HAP Contract. See Attachments 1 and 2.
2. During the term of the HAP Contract, the HPHA will make housing assistance payments to the Successful Offeror for units occupied and leased by eligible families.
3. The HPHA may deny extension of a housing assistance payment to the Successful Offeror for failure to maintain units, Contractor misconduct, or if the units no longer meet the needs addressed by the PBV goals.

Subsequent to the award and within ten (10) days after the prescribed forms are presented for signature, the Successful Offeror shall execute and deliver to the HPHA the HAP or AHAP Contract in such number of copies as required by the HPHA.

By submission of a proposal, interested offerors warrant and represent that they have read and are familiar with the contractual and service requirements set forth in the RFP and its attachments, the provisions of which are expressly incorporated into this RFP by reference.

All proposals shall become the property of the HPHA. The Successful Offeror's proposal may be incorporated in the resulting HAP and AHAP Contract by reference.

2. Subcontracting

No work or services shall be subcontracted or assigned without the prior written approval of the HPHA. No subcontract shall under any circumstances relieve the Successful Offeror of his/her obligations and liability under contract with the HPHA.

3. Contract Modification

The HAP and/or AHAP Contract may be modified only by a written document signed by the HPHA and personnel authorized to sign contracts on behalf of the Successful Offeror as designated in the

corporate resolution.

4. Additional Services and Fees

For services not described in the HAP and/or AHAP Contract, the Successful Offeror and the HPHA shall negotiate for additional needed services and fees which may arise during the course of the Contract. Any agreement shall be in writing, executed by all parties, and shall be attached to the HAP and/or AHAP Contract as an amendment to expire at the same time as the original HAP and/or AHAP Contract or subsequent extension period(s).

5. Laws, Rules, Ordinances and Regulations

Reference to State, City and County laws, ordinances, rules and regulations and standard specifications shall include any amendments thereto effective as of the date of the RFP.

6. Bonds

No performance or payment bond is required.

C. Single or multiple contracts to be awarded

☐ Single ☐ Multiple ☒ Single and/or Multiple

D. Single or multi-term contracts to be awarded

☐ Single term (≤ 2 yrs) ☒ Multi-term (> 2 yrs.)

Initial term of contract: 120 months

Length of each extension: Up to 12 months; may be less than 12 months when it is in the best interests of the State

Maximum length of contract: 300 months

The initial term of the HAP shall commence upon issuance of a Notice to Proceed. The following conditions must be met for an extension:

1. The HPHA determines there is an ongoing need for the services and has funds to extend services, not to exceed 180 months. HAP Contract extensions shall be awarded as agreed upon in the Primary Contract; and
2. A Supplemental Contract must be executed prior to expiration of the Primary Contract or Supplemental Contract, as applicable; and

3. The Successful Offeror must obtain the HPHA approval in writing and a notice to proceed with the extension; and
4. The HPHA has determined that the Successful Offeror has satisfactorily provided services over the current Contract term; and
5. Necessary State and/or Federal funds are appropriated and allotted for an extension.

The option to extend the HAP Contract shall be exercised at the sole discretion of the HPHA. Submission of a proposal constitutes acknowledgement of the interested offeror that the interested offeror is able and willing to contract for services for the duration of the HAP and/or AHAP Contract period. If the Successful Offeror is unwilling or unable to fulfill the maximum allowable length of time of the HAP and/or AHAP Contract, the HPHA reserves the right to assign the costs of reprourement to any payments owed under the HAP and/or AHAP Contract. These costs may include, without limitation, reproduction costs, staff time, and postage.

III. CONTRACT MONITORING & REMEDIES

A. Monitoring

1. The satisfactory provision of goods and services shall be monitored by the Contract Administrator. Performance will be monitored on an ongoing basis by the HPHA through desk monitoring, site inspection and/or other methods by the Contract Administrator and his/her designated representative(s).
2. Should the Successful Offeror fail to comply with the requirements of the HAP and/or AHAP Contract, the HPHA may request a written corrective action plan, a timeline for implementation, and the responsible parties. The HPHA will monitor the Successful Offeror for implementation of the corrective action plan. The HPHA reserves the right to request regular or additional reports on progress towards compliance with the Contract and the corrective action plan.
3. Should the Successful Offeror continue to fail to comply with the requirements of the HAP and/or AHAP Contract, the HPHA reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the Successful Offeror or to directly assess the Successful Offeror.
4. In the event the Successful Offeror fails, refuses, or neglects to perform the services in accordance with the requirements of this RFP, and the HAP and/or AHAP Contract, the HPHA reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct this cost due or that may thereafter become due the Successful Offeror. In

case money due to the Successful Offeror is insufficient for this purpose, the Successful Offeror shall pay the difference upon demand by the HPHA. The HPHA may also utilize all other remedies provided under the HAP Contract and by law and rules.

C. Termination

The HPHA reserves the right to terminate any HAP and/or AHAP Contract without penalty for cause or convenience.

IV. SCOPE OF WORK

A. Goals of the Program

The HPHA is soliciting proposals from qualified firms and/or organizations for its VASH Project-Based Voucher Program to issue at a minimum 35 but not more than 75 Project-Based Vouchers. The HPHA seeks to partner with qualified firm(s) and/or organization(s) to preserve the supply of affordable housing for veterans statewide.

For existing projects, the Successful Offeror(s) must sign a HAP contract within 60 days of award announcement.

For new construction or rehabilitation projects, the Successful Offeror(s) must sign an AHAP Contract within 24 months of award announcement.

The HPHA will enter into a 10-year HAP Contract with the Successful Offeror(s) of existing and or new housing selected under the Program criteria. The HAP Contract is renewable for up to a 25-year term. The HPHA is looking for properties that are existing housing and/or newly constructed or substantially rehabilitated housing.

B. Threshold Requirements

All proposals must meet the following threshold requirements:

1. Interested offerors must provide evidence acceptable to the HPHA of the proposed firm or organization's experience with similar projects.
2. Interested offerors must include an acceptable and reasonable schedule for leasing the units.
3. Interested offerors must include evidence of site control and financial commitments sufficient to pay any acquisition costs and for all necessary costs to make the units compliant with HUD Housing Quality Standards (HQS).

4. Interested offerors may propose all or a portion of units in a development for VASH PBV assistance. However, in a multi-family building, five (5) or more units, no more than 25% of the units may receive PBV assistance. For this solicitation, the building must have at least 40 units.
5. Proposed project must be located in a census tract with a poverty rate of no more than 20%. An exception to this requirement is possible if certain other conditions exist, i.e., there has been an overall decline in poverty rate over the past five years; the area is undergoing significant revitalization; new market rate units are being developed that would positively impact the poverty rate; and other conditions. Poverty rate, minority concentration and other characteristics of the neighborhood and census tract where the project is/will be located may apply. See 24 CFR Section 983.57 Site Selection Standards. A copy of these regulations is available at www.ecfr.gov.
6. Interested offerors must request between 35 to 75 units.
7. Interested offerors must offer supportive services to veterans to be eligible.
8. Interested offerors must serve homeless veterans referred by the Veterans Administration Medical Center using the "Housing First" approach.

Housing First is an approach where homeless persons, usually chronically homeless or especially vulnerable homeless individuals and families, are provided immediate access to housing and then offered the supportive services that may be needed to foster long-term stability and prevent a return to homelessness. This approach removes unnecessary barriers and assumes that supportive services are more effective in addressing needs when the individual or family is housed and the daily stress of being homeless is addressed. Key components of this model include a simple application process, a harm reduction approach, and no conditions of tenancy beyond those included in the lease. Housing First specifically does not require sobriety or testing for substance abuse to obtain or sustain tenancy and thus must not be required in the lease. In serving these populations, projects cannot discriminate against families with children. More information on Housing First is available at: <https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf>.

9. If there are an insufficient number of vouchers available to fund a selected proposal, the HPHA will offer the Successful Offeror a AHAP contract with a reduced number of vouchers. If the Successful Offeror does not agree to accept a reduced number, the vouchers will be

returned to the pool to be allocated in the next PBV funding cycle.

10. The funding of the 35 to 75 VASH project-based vouchers is contingent upon the HPHA receiving grant funding for these vouchers. If the grant funding is not received, the vouchers will not be issued.
11. Interested offerors are not limited on the number of proposals they may submit for consideration under this solicitation. However, each proposal must be for a single project. For each project submitted, the interested offeror must provide the number of VASH PBV units requested and breakdown of unit size, including the breakdown of any accessible units by size.
12. VASH PBV activities are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The HPHA must obtain documentation of environmental clearance from the Responsible Entity who conducted or approved the environmental review. A copy of these regulations is available at www.ecfr.gov.
13. New construction projects or existing PBV projects in need of rehabilitation that utilize tax credits or other governmental housing assistance from federal, state, or local agencies are subject to a subsidy layering review (24 CFR Section 983.55) to prevent excessive public assistance for the project. Interested offerors will be required to submit a list of documents to the HPHA which will then be submitted to HUD for the review. It is the sole responsibility of the interested offeror to ensure that they are in compliance with any subsidy layering requirements imposed upon the project from previous funding sources. A copy of these regulations is available at www.ecfr.gov.
14. All other reviews required pursuant to PBV regulations set forth in 24 CFR Part 983. A copy of these regulations is available at www.ecfr.gov.

C. Eligible Households

1. Homeless veterans, whose household income is 50% or less of Area Median Income, who need case management services in order to obtain and sustain independent community housing.
2. Please note the following:
 - i. The clinical eligibility for the program will be determined by the VA; and
 - ii. Any member of the household that is required to maintain Lifetime Sexual Offender Registry status is not eligible to participate in this program.

D. Eligible Units

1. Existing housing that is ready for occupancy **within 60 days** of HUD's issuance of the vouchers.
2. Newly constructed or rehabilitated units that will execute an agreement to enter into housing assistance payments and start construction **within 24 months of selection date** for PBVs under the HUD published notice.
3. For newly constructed or rehabilitated units, the interested offeror must provide a project timeline including these major milestones: (i) execution of Agreement to Enter Into a Housing Assistance Payments contract (AHAP); (ii) construction start date; and (iii) execution of PBV HAP Contract.
4. Within six (6) months of receiving a Notice of Award, awardees must supply a detailed description of the selected project(s), including: (i) the address; (ii) county and Continuum of Care (CoC) in which the project is located; (iii) the total number of buildings; (iv) total number of units by bedroom size in each building; (v) the number and bedroom sizes of HUD-VASH PBV units in each building; (vi) the target population, if any, of any non HUD-VASH units; (vii) a signed certification that the Administrative Plan contains all required PBV policies and the application for HUD-VASH funding under this competition is consistent with the PHA's administrative policies and PHA Plan; and (viii) a signed certification that the Contractor will comply with Housing First.

E. Ineligible Units

Certain special housing types are not eligible for project-based assistance. These include transitional housing, owner-occupied units, shared housing, public housing, Section 202 housing, and Section 236 housing, exception made for units subsidized with Section 236 interest reduction payments, and units occupied by families who are ineligible for participating in the VASH project-based voucher program. Please refer to 24 CFR 983.53 for a complete list of ineligible properties.

F. Occupancy and Vacancy of PBV Units

1. Project-based units must be leased to families eligible for Section 8 assistance for HUD-VASH for the term of the HAP contract. Vacancies will be filled using direct referrals from the VA.
2. The property owner and tenant of a PBV unit must notify the HPHA immediately if a tenant will be moving from a PBV unit. The HPHA will notify the VA of the vacancy and the VA will refer appropriately-sized households at the top of the HUD-VASH waiting list. Once a tenant is approved by the property owner, the property owner must refer the

family back to the HPHA for final voucher eligibility. A veteran who resides in a PBV unit for at least one year may move with continued rental assistance with a HUD-VASH tenant-based voucher, if one is available. The PBV unit the family occupies must then be rented to a new eligible veteran.

G. Relocation

For units to be considered eligible for VASH PBV, any occupants already residing in the units must meet the income eligibility requirements of the program. If the Successful Offeror intends to apply VASH PBV to occupied units, they must determine if the current occupants are income eligible. If Successful Offerors have residents that are not income eligible, they must develop a relocation plan consistent with the Uniform Relocation Act (URA), passed by Congress in 1970. See Title 49 CFR Part 24. A copy of these regulations is available at www.ecfr.gov.

H. Rent Limits

The gross rent, including utility allowance, if any, may not exceed 110% of Fair Market Rent (FMR) for both initial rent and annual adjustments, and must be rent reasonable in relation to rents charge in the private market for comparable unassisted units.

HPHA Payment Standards, effective June 1, 2015:

Bedroom Size	Payment Standard
0	\$1386
1	\$1511
2	\$1991
3	\$2934
4	\$3367
5	\$3872
6	\$4453

Property(s) utilizing Low Income Housing Tax Credits (LIHTC) have additional requirements for calculating rent amounts; however, property(s) eligible under this solicitation must comply with conditions that allow the rent to be calculated in accordance with the paragraph above.

B. Administrative Requirements & Minimum Qualifications

1. The Successful Offeror shall designate a contact person who will be responsible for project oversight and ensure HAP Contract performance. The contact person shall respond to the HPHA's inquiries, complaints, and/or concerns within 24 hours, unless otherwise instructed by the HPHA.

2. The HPHA Contract Administrator may send a monitoring report to the Successful Offeror's contact representative. The monitoring report will document discrepancies or Contract violation(s) which require correction. These discrepancies or Contract violation(s) must be corrected by the time periods provided.
3. The Successful Offeror shall ensure adequate and appropriate representation at regular meetings with the HPHA. At this time, the HPHA anticipates quarterly meetings with the Successful Offeror's contact person who will be responsible for oversight of Contract performance. Additional meetings may be required by the HPHA.

C. Reporting Requirements

The Successful Offeror shall be responsible for the timely submission of reports on performance or progress including, without limitation:

- a. Progress reports on the implementation of corrective action plans; and/or
- b. Special requests in response to inquiries from other government agencies, including the State Legislature.

D. Payment

Payment shall be made in accordance with the HAP Contract. See Attachment 1.

(END OF SECTION)

Section 3

Proposal Forms and Instructions

I. General Instructions

When an interested offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks identified in this RFP. The interested offeror's proposal must demonstrate an understanding of and the ability to meet and perform all contractual requirements listed in this RFP.

The submission of a proposal shall constitute the interested offeror's indisputable representation of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work to interested offeror.

An interested offeror shall submit one (1) original proposal marked "ORIGINAL" and three (3) copies of the original marked "COPY." It is imperative to note that the interested offeror submit only one (1) original and the required number of copies. The outer envelope or packaging of the proposals shall be sealed and clearly marked with the RFP number and title, the interested offeror's name, address, telephone number, fax number and address it to the attention of the RFP Coordinator.

All corrections to a proposal shall be initialed in ink by the person signing the proposal for the interested offeror. Any illegible or otherwise unrecognizable corrections or initials may be cause for rejection of the proposal.

Before submitting a proposal, each interested offeror must:

- A. Thoroughly examine the solicitation documents. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documentation.
- B. Be familiar with local, State, and Federal laws, ordinances, rules and regulations that may in any manner affect cost, progress, or performance of the work.

Proposals shall be submitted to the HPHA in the prescribed format outlined in this RFP. A written response is required for each item, unless indicated otherwise.

No supplemental literature, brochures or other unsolicited information should be included in the proposal packet.

TIP: Interested offerors should submit its proposal with enough detail to ensure that the reader is able to fully understand their approach to management and maintenance. A good test is to give the proposal to someone who has not written the proposal and see if they are able to get a clear picture of how the management unit will be operated.

II. Proposal Forms

- A. The proposal forms must be completed and submitted to the HPHA by the required due date and time, and in the format prescribed by the HPHA. Email and facsimile transmissions shall not be accepted. Proposals submitted on compact disk or in electronic format shall not be accepted.
- B. Interested offeror shall submit its proposal under the interested offeror's exact legal name that is registered with the Department of Commerce and Consumer Affairs and shall indicate this exact legal name. Failure to do so may delay proper execution of the Contract.
- C. Interested offeror's authorized signature shall be an original signature in ink. If the proposal is unsigned by an authorized representative as submitted on the corporate resolution or the affixed signature is a facsimile or a photocopy, the proposal may be rejected unless waived by the HPHA pursuant to section 3-122-31(c)(1)(B), HAR.
- D. A proposal security deposit is not required for this RFP.
- F. The numerical outline for the application, the titles/subtitles, and the interested offeror organization and RFP identification information on the top right hand corner of each page should be included.
- G. Consecutive page numbering of the Proposal Application should begin with page one and end with the last numbered page of the complete proposal.
- H. Proposals must be bound and tabbed by sections.

III. The Proposal Application comprises the following sections:

- *Transmittal Letter*
- *Table of Contents*
- *Experience and Capability*
- *Property Summary*
- *Property Type*
- *Unit Size*
- *Supportive Services*
- *Housing First*

- *Financial*
- *Other*

A. Transmittal Letter

A Transmittal Letter shall be included in the proposal. See Attachment 3. The Transmittal Letter shall be in the form of a standard business letter and may be submitted on official business letterhead and shall be signed by an authorized representative. The Transmittal Letter must include:

1. A statement indicating that the interested offeror is a corporation or other legal entity and the taxpayer identification number of the legal entity.
2. A statement that the interested offeror is or will be registered to do business in Hawaii and is or will obtain a State General Excise Tax License before the start of the work.
3. A statement acknowledging and identifying that all addenda to this RFP issued by the HPHA have been received by the interested offeror. If no addenda have been received, a statement to that effect should be included.

B. Experience and Capability

This section shall describe the interested offeror's experience and capability as follows:

1. Section 8 Voucher Program;
2. Managing 100 units, including at least 20 units of homeless housing for at least 2 years and familiarity with the Section 8 Voucher Program.
3. Developing supportive housing for veterans, homeless, elderly or disabled families; and
4. Collaborating with the Veterans Administration.

C. Property Summary

This section shall provide a property description as follows:

1. Property name;
2. Property address;
3. County;
4. Census tract no.;
5. Total number of buildings in the property;
6. Total number of HUD-VASH units per building;

7. Total number of HUD-VASH units by bedroom size;
8. Target population of non HUD-VASH units;
9. Management agent name;
10. Management agent contact person; and
11. Management agent contact phone no., fax no., e-mail address.

Please include a timeline for activities, specific benchmarks for acquisition, assembly of the development team, plans and specifications, completion of financial approvals, county approvals, building permits, project construction start date, completion date and estimated date of lease up.

D. Property Type

This section shall identify the type of the property: existing, substantial rehabilitation or new construction.

1. For existing properties:

- i. Identify the year that the property was placed in service.
- ii. Provide documentation that the building is in good standing, i.e. property taxes and insurance are current.
- iii. Identify all rental subsidy sources currently provided to the property and the addresses of subsidized units.
- iv. Identify the number of units that do not have rent subsidies and the current rent rates.
- v. Identify the current occupancy and vacancy rates for the property.
- vi. Identify the current income levels for the property's tenants.
- vii. Identify the types of utilities that are included in the rent.
- viii. If the rents in the property "restricted", identify the program and contact information of the administrative agent (name, address, phone, fax, e-mail and attach a copy of the Deed Restriction(s), note and mortgage if applicable).

2. For new construction or substantial rehabilitation where rehabilitation costs exceed 50% of the value of the property:

- i. Identify the date the property is anticipated to be placed in service.

- ii. Identify all funding sources and attach copies of funding commitments.
- iii. Identify the number of units by bedroom size.
- iv. Identify the number of proposed HUD-VASH units by bedroom size.
- v. Identify the types of utilities that are included in the rent;
- vi. If the rents in the property will be “restricted”, identify the program and contact information of the administrative agent (name, address, phone, fax, e-mail and attach a copy of the Deed Restriction(s), note and mortgage if applicable).

E. Unit Size

This section shall include

1. A breakdown of the units in the proposed property by bedroom size. The HPHA is requiring that at least 70% of the property consist of one-bedroom/studio units and meets all current Americans with Disabilities Act (ADA) requirements or provide adaptable units, which can be adapted at the interested offerors expense (i.e. the interested offeror requests 20 VASH PBV and specifies that at least 14 of the units will be one-bedroom/studio units. Studio units must have a full bath and kitchen within the unit to be eligible.)

F. Housing First

This section shall include:

1. A description of your experience with developing and managing supportive housing for veterans, homeless, elderly, and/or disabled families including number of projects, location, and the level of services provided or coordinated that meet the requirements of Housing First.
2. A description of existing relationships with community service providers.
3. A certification that the project will comply with requirements of the Housing First model

G. Supportive Services

This section shall include

1. A description of the specific supportive services available from the Veterans Administration and other local social service providers to support

the residents of the property including fair housing counseling. The description must include the type of service, the name of the provider, the length of time services will be available to each resident and how the services will be monitored by the VA or another responsible party.

2. A list by type and location of community facilities and resources for the veterans living at the property. This list should include but not be limited to: grocery stores, libraries, medical services, educational opportunities, and modes of transportation available if the resources are not easily accessible.

H. Financial Capacity

This section shall include:

1. Financial information such as operating pro forma listing all incoming revenue delineated by unit type, supplemental income, and expenses anticipated to be incurred, development budget including acquisition, construction, soft costs, developer fees, all other operating costs and an operating reserve and documentation to support rent reasonableness.

(END OF SECTION)

Section 4

Proposal Evaluation and Award

I. Proposal Evaluation

An evaluation committee approved by the HPHA Executive Director or designee will evaluate all responsive and responsible proposals. The evaluation of such proposals will be based solely on the evaluation criteria set forth in this RFP. The evaluation committee's primary responsibility shall be to review the technical aspects of the submitted proposals. The price proposal review will be conducted by the evaluation committee chairperson. The review criteria will be as follows:

<u>Evaluation Categories</u>	<u>Possible Points</u>
Mandatory Requirements	Pass or Rejected
<i>Proposal Application</i>	100 Points
a. Experience and Capability <ul style="list-style-type: none"> Up to 30 points will be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it has the experience, necessary skills, abilities, knowledge of managing 100 units, including at least 20 units of homeless housing for at least 2 years and familiarity with the Section 8 Voucher Program. 	30 points
b. Property Readiness <ul style="list-style-type: none"> Up to 15 points will be awarded based on the degree to which the property is ready for occupancy. 	15 points
c. Supportive Services <ul style="list-style-type: none"> Up to 15 points will be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it will provide supportive services reflecting the specific needs of homeless veterans. Up to 15 points will be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it will meet and comply with the Housing First approach. 	30 points
d. Unit Size and Accessibility <ul style="list-style-type: none"> Up to 10 points shall be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it meets or exceeds the targeted mix of predominantly one-bedroom/studio units 	10 points

Evaluation Categories**Possible Points****Mandatory Requirements****Pass or Rejected**

e. Financial Capacity**15 points**

- Up to 15 points shall be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it is financially feasible to enter into a multi-year HAP contract.
-

TOTAL POSSIBLE POINTS**100 Points**

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three (3) responsive and responsible offerors who submitted the highest-ranked proposals. If there are less than three (3) acceptable or potentially acceptable proposals, the HPHA shall not be required to hold discussions with these offerors who submitted unacceptable proposals.

Discussion may be conducted with priority listed successful offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without discussions. The objective of these discussions is to clarify issues regarding the Successful Offeror's proposal before the best and final offer, if necessary.

II. Mandatory Requirements

The HPHA will conduct an initial review to ensure that all proposals meet the minimum threshold requirements. Proposals will be reviewed to ensure submittal of all required attachments, certifications, forms, and narrative sections.

Statements which indicate that mandatory certifications will be submitted upon Contract award shall be unacceptable.

IV. Technical Review

The interested offeror's proposal shall be in the format as prescribed by this solicitation and shall contain a response to each of the areas identified that affects the evaluation factors for award.

- A. The technical proposal will be evaluated to determine, if the interested offeror possesses the capability to successfully perform the requirements of the solicitation. The technical criteria are shown below:

Evaluation Categories**Possible Points****Mandatory Requirements****Pass or Rejected**

e. Financial Capacity**15 points**

- Up to 15 points shall be awarded based on the degree to which the interested offeror clearly and concisely demonstrates that it is financially feasible to enter into a multi-year HAP contract.
-

TOTAL POSSIBLE POINTS**100 Points**

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.

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The interested offeror's proposal shall be in the format as prescribed by this solicitation and shall contain a response to each of the areas identified that affects the evaluation factors for award.

- A. The technical proposal will be evaluated to determine, if the interested offeror possesses the capability to successfully perform the requirements of the solicitation. The technical criteria are shown below:

1. Experience and Capability;
 2. Property Readiness;
 3. Supportive Services;
 4. Unit Size and Accessibility; and
 5. Financial Capacity
- B. Proposals will be evaluated for technical and contractual acceptability. Proposals shall be prepared in accordance with the instructions given in the RFP and shall meet all requirements set forth in this RFP.
- C. Pursuant to section 3-122-112, HAR, Responsibility of Offerors, the Successful Offeror shall produce documents to demonstrate compliance with this section.

IV. Discussions

Discussions may be conducted with priority listed offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without discussions. The objective of these discussions is to: 1) promote understanding of the requirements set forth in this RFP and the interested offeror's proposal; and 2) facilitate arriving at a contract that will provide the best value to the State, taking into consideration the evaluation factors listed herein.

V. Method of Award

All proposals submitted will be evaluated on the basis of the evaluation criteria listed herein. Proposals shall conform to all terms and conditions contained in this Request for Proposals. Proposals which do not conform to all requirements expressed in this solicitation may be rejected without further evaluation, deliberation or discussion.

- A. All proposals will be reviewed for reasonableness. Offers that are not within the competitive range will be notified that their proposals are unacceptable, negotiations/discussions are not contemplated, and any revisions of their proposals will not be considered.
- B. Award will be made to the responsive and responsible offeror whose proposal conforms to the solicitation and will be most advantageous to the HPHA with consideration to price and other evaluation criteria set forth in this RFP.

Pursuant to chapter 3-122-59 HAR, if there is only one (1) responsible offeror submitting an acceptable proposal, then an award may be made to the single offeror, be rejected and new request for proposals may be solicited if certain conditions are not met; the proposed procurement may be cancelled; or an alternative procurement method may be conducted.

Section 5

Attachments

1. Housing Assistance Payments Contract, form HUD-
2. Agreement to Enter into a Housing Assistance Payments Contract, form HUD-52521-B
3. Sample – Competitively Sealed Proposals Application Identification Form

Housing Assistance Payments Contract (HAP Contract)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Section 8 Tenant-Based Assistance Housing Choice Voucher Program

OMB Approval No. 2577- 0169
(Exp. 10/31/2010)

Privacy Act Statement. The Department of Housing and Urban Development (HUD) is authorized to collect the information required on this form by Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). Collection of family members' names and unit address, and owner's name and payment address is mandatory. The information is used to provide Section 8 tenant-based assistance under the Housing Choice Voucher program in the form of housing assistance payments. The information also specifies what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the tenant. HUD may disclose this information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as permitted or required by law. Failure to provide any of the information may result in delay or rejection of family or owner participation in the program.

Instructions for use of HAP Contract

This form of Housing Assistance Payments Contract (HAP contract) is used to provide Section 8 tenant-based assistance under the housing choice voucher program (voucher program) of the U.S. Department of Housing and Urban Development (HUD). The main regulation for this program is 24 Code of Federal Regulations Part 982.

The local voucher program is administered by a public housing agency (PHA). The HAP contract is an agreement between the PHA and the owner of a unit occupied by an assisted family. The HAP contract has three parts:

Part A Contract information (fill-ins). See section by section instructions. Part B
Body of contract
Part C Tenancy addendum

Use of this form

Use of this HAP contract is required by HUD. Modification of the HAP contract is not permitted. The HAP contract must be word-for-word in the form prescribed by HUD.

However, the PHA may choose to add the following:

Language that prohibits the owner from collecting a security deposit in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. Such a prohibition must be added to Part A of the HAP contract.

Language that defines when the housing assistance payment by the PHA is deemed received by the owner (e.g., upon mailing by the PHA or actual receipt by the owner). Such language must be added to Part A of the HAP contract.

To prepare the HAP contract, fill in all contract information in Part A of the contract. Part A must then be executed by the owner and the PHA.

Use for special housing types

In addition to use for the basic Section 8 voucher program, this form must also be used for the following "special housing types" which are voucher program variants for special needs (see 24 CFR Part 982, Subpart M): (1) single room occupancy (SRO) housing; (2) congregate housing; (3) group home; (4) shared housing; and (5) manufactured home rental by a family that leases the manufactured home and space. When this form is used for a special housing type, the special housing type shall be specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: (Insert Name of Special Housing type)."

However, this form may not be used for the following special housing types: (1) manufactured home space rental by a family that owns the manufactured home and leases only the space; (2) cooperative housing; and (3) the homeownership option under Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)).

How to fill in Part A

Section by Section Instructions

Section 2: Tenant

Enter full name of tenant.

Section 3. Contract Unit

Enter address of unit, including apartment number, if any.

Section 4. Household Members

Enter full names of all PHA-approved household members. Specify if any such person is a live-in aide, which is a person approved by the PHA to reside in the unit to provide supportive services for a family member who is a person with disabilities.

Section 5. Initial Lease Term

Enter first date and last date of initial lease term.

The initial lease term must be for at least one year. However, the PHA may approve a shorter initial lease term if the PHA determines that:

- ☐ Such shorter term would improve housing opportunities for the tenant, and
- ☐ Such shorter term is the prevailing local market practice.

Section 6. Initial Rent to Owner

Enter the amount of the monthly rent to owner during the initial lease term. The PHA must determine that the rent to owner is reasonable in comparison to rent for other comparable unassisted units. During the initial lease term, the owner may not raise the rent to owner.

Section 7. Housing Assistance Payment

Enter the initial amount of the monthly housing assistance payment.

Section 8. Utilities and Appliances.

The lease and the HAP contract must specify what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the tenant. Fill in section 8 to show who is responsible to provide or pay for utilities and appliances.

**Housing Assistance Payments Contract
(HAP Contract)
Section 8 Tenant-Based Assistance
Housing Choice Voucher Program**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Part A of the HAP Contract: Contract Information

(To prepare the contract, fill out all contract information in Part A.)

1. Contents of Contract

This HAP contract has three parts:

Part A: Contract Information

Part B: Body of Contract Part

C: Tenancy Addendum

2. Tenant

3. Contract Unit

4. Household

The following persons may reside in the unit. Other persons may not be added to the household without prior written approval of the owner and the PHA.

5. Initial Lease Term

The initial lease term begins on (mm/dd/yyyy): _____

The initial lease term ends on (mm/dd/yyyy): _____

6. Initial Rent to Owner

The initial rent to owner is: \$ _____

During the initial lease term, the owner may not raise the rent to owner.

7. Initial Housing Assistance Payment

The HAP contract term commences on the first day of the initial lease term. At the beginning of the HAP contract term, the amount of the housing assistance payment by the PHA to the owner is \$ _____ per month.

The amount of the monthly housing assistance payment by the PHA to the owner is subject to change during the HAP contract term in accordance with HUD requirements.

8. Utilities and Appliances

The owner shall provide or pay for the utilities and appliances indicated below by an "O". The tenant shall provide or pay for the utilities and appliances indicated below by a "T". Unless otherwise specified below, the owner shall pay for all utilities and appliances provided by the owner.

Item	Specify fuel type				Provided by	Paid by
Heating	<input type="checkbox"/> Natural gas	<input type="checkbox"/> Bottle gas	<input type="checkbox"/> Oil or Electric	<input type="checkbox"/> Coal or Other		
Cooking	<input type="checkbox"/> Natural gas	<input type="checkbox"/> Bottle gas	<input type="checkbox"/> Oil or Electric	<input type="checkbox"/> Coal or Other		
Water Heating	<input type="checkbox"/> Natural gas	<input type="checkbox"/> Bottle gas	<input type="checkbox"/> Oil or Electric	<input type="checkbox"/> Coal or Other		
Other Electric						
Water						
Sewer						
Trash Collection						
Air Conditioning						
Refrigerator						
Range/Microwave						
Other (specify)						

Signatures:**Public Housing Agency**

Print or Type Name of PHA

Signature

Print or Type Name and Title of Signatory

Date (mm/dd/yyyy)

Owner

Print or Type Name of Owner

Signature

Print or Type Name and Title of Signatory

Date (mm/dd/yyyy)

Mail Payments to:

Name

Address (street, city, State, Zip)

**Housing Assistance Payments Contract
(HAP Contract)
Section 8 Tenant-Based Assistance
Housing Choice Voucher Program**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Part B of HAP Contract: Body of Contract

1. Purpose

- a. This is a HAP contract between the PHA and the owner. The HAP contract is entered to provide assistance for the family under the Section 8 voucher program (see HUD program regulations at 24 Code of Federal Regulations Part 982).
- b. The HAP contract only applies to the household and contract unit specified in Part A of the HAP contract.
- c. During the HAP contract term, the PHA will pay housing assistance payments to the owner in accordance with the HAP contract.
- d. The family will reside in the contract unit with assistance under the Section 8 voucher program. The housing assistance payments by the PHA assist the tenant to lease the contract unit from the owner for occupancy by the family.

2. Lease of Contract Unit

- a. The owner has leased the contract unit to the tenant for occupancy by the family with assistance under the Section 8 voucher program.
- b. The PHA has approved leasing of the unit in accordance with requirements of the Section 8 voucher program.
- c. The lease for the contract unit must include word-for-word all provisions of the tenancy addendum required by HUD (Part C of the HAP contract).
- d. The owner certifies that:
 - (1) The owner and the tenant have entered into a lease of the contract unit that includes all provisions of the tenancy addendum.
 - (2) The lease is in a standard form that is used in the locality by the owner and that is generally used for other unassisted tenants in the premises.
 - (3) The lease is consistent with State and local law.
- e. The owner is responsible for screening the family's behavior or suitability for tenancy. The PHA is not responsible for such screening. The PHA has no liability or responsibility to the owner or other persons for the family's behavior or the family's conduct in tenancy.

3. Maintenance, Utilities, and Other Services

- a. The owner must maintain the contract unit and premises in accordance with the housing quality standards (HQS).
- b. The owner must provide all utilities needed to comply with the HQS.
- c. If the owner does not maintain the contract unit in accordance with the HQS, or fails to provide all utilities needed to comply with the HQS, the PHA may exercise any available remedies. PHA remedies

for such breach include recovery of overpayments, suspension of housing assistance payments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract. The PHA may not exercise such remedies against the owner because of an HQS breach for which the family is responsible, and that is not caused by the owner.

- d. The PHA shall not make any housing assistance payments if the contract unit does not meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within the period specified by the PHA.
- e. The PHA may inspect the contract unit and premises at such times as the PHA determines necessary, to ensure that the unit is in accordance with the HQS.
- f. The PHA must notify the owner of any HQS defects shown by the inspection.
- g. The owner must provide all housing services as agreed to in the lease.

4. Term of HAP Contract

- a. **Relation to lease term.** The term of the HAP contract begins on the first day of the initial term of the lease, and terminates on the last day of the term of the lease (including the initial lease term and any extensions).
- b. **When HAP contract terminates.**
 - (1) The HAP contract terminates automatically if the lease is terminated by the owner or the tenant.
 - (2) The PHA may terminate program assistance for the family for any grounds authorized in accordance with HUD requirements. If the PHA terminates program assistance for the family, the HAP contract terminates automatically.
 - (3) If the family moves from the contract unit, the HAP contract terminates automatically.
 - (4) The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.
 - (5) The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that available program funding is not sufficient to support continued assistance for families in the program.
 - (6) The HAP contract terminates automatically upon the death of a single member household, including single member households with a live-in aide.

- (7) The PHA may terminate the HAP contract if the PHA determines that the contract unit does not provide adequate space in accordance with the HQS because of an increase in family size or a change in family composition.
- (8) If the family breaks up, the PHA may terminate the HAP contract, or may continue housing assistance payments on behalf of family members who remain in the contract unit.
- (9) The PHA may terminate the HAP contract if the PHA determines that the unit does not meet all requirements of the HQS, or determines that the owner has otherwise breached the HAP contract.

5. Provision and Payment for Utilities and Appliances

- a. The lease must specify what utilities are to be provided or paid by the owner or the tenant.
- b. The lease must specify what appliances are to be provided or paid by the owner or the tenant.
- c. Part A of the HAP contract specifies what utilities and appliances are to be provided or paid by the owner or the tenant. The lease shall be consistent with the HAP contract.

6. Rent to Owner: Reasonable Rent

- a. During the HAP contract term, the rent to owner may at no time exceed the reasonable rent for the contract unit as most recently determined or redetermined by the PHA in accordance with HUD requirements.
- b. The PHA must determine whether the rent to owner is reasonable in comparison to rent for other comparable unassisted units. To make this determination, the PHA must consider:
 - (1) The location, quality, size, unit type, and age of the contract unit; and
 - (2) Any amenities, housing services, maintenance and utilities provided and paid by the owner.
- c. The PHA must redetermine the reasonable rent when required in accordance with HUD requirements. The PHA may redetermine the reasonable rent at any time.
- d. During the HAP contract term, the rent to owner may not exceed rent charged by the owner for comparable unassisted units in the premises. The owner must give the PHA any information requested by the PHA on rents charged by the owner for other units in the premises or elsewhere.

7. PHA Payment to Owner

- a. When paid
 - (1) During the term of the HAP contract, the PHA must make monthly housing assistance payments to the owner on behalf of the family at the beginning of each month.
 - (2) The PHA must pay housing assistance payments promptly when due to the owner.
 - (3) If housing assistance payments are not paid promptly when due after the first two calendar months of the HAP contract term, the PHA shall pay the owner penalties if all of the following circumstances apply: (i) Such penalties are in accordance with generally accepted practices and law, as applicable in the local housing market,

governing penalties for late payment of rent by a tenant; (ii) It is the owner's practice to charge such penalties for assisted and unassisted tenants; and (iii) The owner also charges such penalties against the tenant for late payment of family rent to owner. However, the PHA shall not be obligated to pay any late payment penalty if HUD determines that late payment by the PHA is due to factors beyond the PHA's control. Moreover, the PHA shall not be obligated to pay any late payment penalty if housing assistance payments by the PHA are delayed or denied as a remedy for owner breach of the HAP contract (including any of the following PHA remedies: recovery of overpayments, suspension of housing assistance payments, abatement or reduction of housing assistance payments, termination of housing assistance payments and termination of the contract).

- (4) Housing assistance payments shall only be paid to the owner while the family is residing in the contract unit during the term of the HAP contract. The PHA shall not pay a housing assistance payment to the owner for any month after the month when the family moves out.
- b. **Owner compliance with HAP contract.** Unless the owner has complied with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments under the HAP contract.
- c. **Amount of PHA payment to owner**
 - (1) The amount of the monthly PHA housing assistance payment to the owner shall be determined by the PHA in accordance with HUD requirements for a tenancy under the voucher program.
 - (2) The amount of the PHA housing assistance payment is subject to change during the HAP contract term in accordance with HUD requirements. The PHA must notify the family and the owner of any changes in the amount of the housing assistance payment.
 - (3) The housing assistance payment for the first month of the HAP contract term shall be prorated for a partial month.
- d. **Application of payment.** The monthly housing assistance payment shall be credited against the monthly rent to owner for the contract unit.
- e. **Limit of PHA responsibility.**
 - (1) The PHA is only responsible for making housing assistance payments to the owner in accordance with the HAP contract and HUD requirements for a tenancy under the voucher program.
 - (2) The PHA shall not pay any portion of the rent to owner in excess of the housing assistance payment. The PHA shall not pay any other claim by the owner against the family.
- f. **Overpayment to owner.** If the PHA determines that the owner is not entitled to the housing assistance payment or any part of it, the PHA, in addition to other remedies, may deduct the amount of the overpayment from any amounts due the owner (including amounts due under any other Section 8 assistance contract).

8. Owner Certification

During the term of this contract, the owner certifies that:

- a. The owner is maintaining the contract unit and premises in accordance with the HQS.
- b. The contract unit is leased to the tenant. The lease includes the tenancy addendum (Part C of the HAP contract), and is in accordance with the HAP contract and program requirements. The owner has provided the lease to the PHA, including any revisions of the lease.
- c. The rent to owner does not exceed rents charged by the owner for rental of comparable unassisted units in the premises.
- d. Except for the rent to owner, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or any other public or private source) for rental of the contract unit during the HAP contract term.
- e. The family does not own or have any interest in the contract unit.
- f. To the best of the owner's knowledge, the members of the family reside in the contract unit, and the unit is the family's only residence.
- g. The owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

9. Prohibition of Discrimination. In accordance with applicable equal opportunity statutes, Executive Orders, and regulations:

- a. The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the HAP contract.
- b. The owner must cooperate with the PHA and HUD in conducting equal opportunity compliance reviews and complaint investigations in connection with the HAP contract.

10. Owner's Breach of HAP Contract

- a. Any of the following actions by the owner (including a principal or other interested party) is a breach of the HAP contract by the owner:
 - (1) If the owner has violated any obligation under the HAP contract, including the owner's obligation to maintain the unit in accordance with the HQS.
 - (2) If the owner has violated any obligation under any other housing assistance payments contract under Section 8.
 - (3) If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
 - (4) For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan.

- (5) If the owner has engaged in any drug-related criminal activity or any violent criminal activity.
- b. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights and remedies under the HAP contract, or any other available rights and remedies for such breach. The PHA shall notify the owner of such determination, including a brief statement of the reasons for the determination. The notice by the PHA to the owner may require the owner to take corrective action, as verified or determined by the PHA, by a deadline prescribed in the notice.
- c. The PHA's rights and remedies for owner breach of the HAP contract include recovery of overpayments, suspension of housing assistance payments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.
- d. The PHA may seek and obtain additional relief by judicial order or action, including specific performance, other injunctive relief or order for damages.
- e. Even if the family continues to live in the contract unit, the PHA may exercise any rights and remedies for owner breach of the HAP contract.
- f. The PHA's exercise or non-exercise of any right or remedy for owner breach of the HAP contract is not a waiver of the right to exercise that or any other right or remedy at any time.

11. PHA and HUD Access to Premises and Owner's Records

- a. The owner must provide any information pertinent to the HAP contract that the PHA or HUD may reasonably require.
- b. The PHA, HUD and the Comptroller General of the United States shall have full and free access to the contract unit and the premises, and to all accounts and other records of the owner that are relevant to the HAP contract, including the right to examine or audit the records and to make copies.
- c. The owner must grant such access to computerized or other electronic records, and to any computers, equipment or facilities containing such records, and must provide any information or assistance needed to access the records.

12. Exclusion of Third Party Rights

- a. The family is not a party to or third party beneficiary of Part B of the HAP contract. The family may not enforce any provision of Part B, and may not exercise any right or remedy against the owner or PHA under Part B.
- b. The tenant or the PHA may enforce the tenancy addendum (Part C of the HAP contract) against the owner, and may exercise any right or remedy against the owner under the tenancy addendum.
- c. The PHA does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action or failure to act in connection with management of the contract unit or the premises or with implementation of the HAP contract, or as a result of any other action or failure to act by the owner.
- d. The owner is not the agent of the PHA, and the HAP contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with management of

the contract unit or the premises or with implementation of the HAP contract.

13. Conflict of Interest

- a. "Covered individual" means a person or entity who is a member of any of the following classes:
 - (1) Any present or former member or officer of the PHA (except a PHA commissioner who is a participant in the program);
 - (2) Any employee of the PHA, or any contractor, sub-contractor or agent of the PHA, who formulates policy or who influences decisions with respect to the program;
 - (3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the program; or
 - (4) Any member of the Congress of the United States.
- b. A covered individual may not have any direct or indirect interest in the HAP contract or in any benefits or payments under the contract (including the interest of an immediate family member of such covered individual) while such person is a covered individual or during one year thereafter.
- c. "Immediate family member" means the spouse, parent (including a stepparent), child (including a stepchild), grandparent, grandchild, sister or brother (including a stepsister or stepbrother) of any covered individual.
- d. The owner certifies and is responsible for assuring that no person or entity has or will have a prohibited interest, at execution of the HAP contract, or at any time during the HAP contract term.
- e. If a prohibited interest occurs, the owner shall promptly and fully disclose such interest to the PHA and HUD.
- f. The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.
- g. No member of or delegate to the Congress of the United States or resident commissioner shall be admitted to any share or part of the HAP contract or to any benefits which may arise from it.

14. Assignment of the HAP Contract

- a. The owner may not assign the HAP contract to a new owner without the prior written consent of the PHA.
- b. If the owner requests PHA consent to assign the HAP contract to a new owner, the owner shall supply any information as required by the PHA pertinent to the proposed assignment.
- c. The HAP contract may not be assigned to a new owner that is debarred, suspended or subject to a limited denial of participation under HUD regulations (see 24 Code of Federal Regulations Part 24).
- d. The HAP contract may not be assigned to a new owner if HUD has prohibited such assignment because:
 - (1) The Federal government has instituted an administrative or judicial action against the owner or proposed new owner for violation of the Fair Housing Act or other Federal equal opportunity requirements, and such action is pending; or
 - (2) A court or administrative agency has determined that the owner or proposed new owner violated

the Fair Housing Act or other Federal equal opportunity requirements.

- e. The HAP contract may not be assigned to a new owner if the new owner (including a principal or other interested party) is the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the family of such determination) that approving the assignment, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.
- f. The PHA may deny approval to assign the HAP contract if the owner or proposed new owner (including a principal or other interested party):
 - (1) Has violated obligations under a housing assistance payments contract under Section 8;
 - (2) Has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program;
 - (3) Has engaged in any drug-related criminal activity or any violent criminal activity;
 - (4) Has a history or practice of non-compliance with the HQS for units leased under the Section 8 tenant-based programs, or non-compliance with applicable housing standards for units leased with project-based Section 8 assistance or for units leased under any other Federal housing program;
 - (5) Has a history or practice of failing to terminate tenancy of tenants assisted under any Federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - (a) Threatens the right to peaceful enjoyment of the premises by other residents;
 - (b) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;
 - (c) Threatens the health or safety of, or the right to peaceful enjoyment of their residents by, persons residing in the immediate vicinity of the premises; or
 - (d) Is drug-related criminal activity or violent criminal activity;
 - (6) Has a history or practice of renting units that fail to meet State or local housing codes; or
 - (7) Has not paid State or local real estate taxes, fines or assessments.
- g. The new owner must agree to be bound by and comply with the HAP contract. The agreement must be in writing, and in a form acceptable to the PHA. The new owner must give the PHA a copy of the executed agreement.

15. Foreclosure. In the case of any foreclosure, the immediate successor in interest in the property pursuant to the foreclosure shall assume such interest subject to the lease between the prior owner and the tenant and to the HAP contract between the prior owner and the PHA for the occupied unit. This provision does not affect any State or local law that provides longer time periods or other additional protections for tenants. **This provision will sunset on December 31, 2012 unless extended by law.**

16. **Written Notices.** Any notice by the PHA or the owner in connection with this contract must be in writing.

17. **Entire Agreement: Interpretation**

- a. The HAP contract contains the entire agreement between the owner and the PHA.
- b. The HAP contract shall be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including the HUD program regulations at 24 Code of Federal Regulations Part 982.

**Housing Assistance Payments Contract
(HAP Contract)
Section 8 Tenant-Based Assistance
Housing Choice Voucher Program**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Part C of HAP Contract: Tenancy Addendum

1. Section 8 Voucher Program

- a. The owner is leasing the contract unit to the tenant for occupancy by the tenant's family with assistance for a tenancy under the Section 8 housing choice voucher program (voucher program) of the United States Department of Housing and Urban Development (HUD).
- b. The owner has entered into a Housing Assistance Payments Contract (HAP contract) with the PHA under the voucher program. Under the HAP contract, the PHA will make housing assistance payments to the owner to assist the tenant in leasing the unit from the owner.

2. Lease

- a. The owner has given the PHA a copy of the lease, including any revisions agreed by the owner and the tenant. The owner certifies that the terms of the lease are in accordance with all provisions of the HAP contract and that the lease includes the tenancy addendum.
- b. The tenant shall have the right to enforce the tenancy addendum against the owner. If there is any conflict between the tenancy addendum and any other provisions of the lease, the language of the tenancy addendum shall control.

3. Use of Contract Unit

- a. During the lease term, the family will reside in the contract unit with assistance under the voucher program.
- b. The composition of the household must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. Other persons may not be added to the household without prior written approval of the owner and the PHA.
- c. The contract unit may only be used for residence by the PHA-approved household members. The unit must be the family's only residence. Members of the household may engage in legal profit making activities incidental to primary use of the unit for residence by members of the family.
- d. The tenant may not sublease or let the unit.
- e. The tenant may not assign the lease or transfer the unit.

4. Rent to Owner

- a. The initial rent to owner may not exceed the amount approved by the PHA in accordance with HUD requirements.
- b. Changes in the rent to owner shall be determined by the provisions of the lease. However, the owner may not raise the rent during the initial term of the lease.

- c. During the term of the lease (including the initial term of the lease and any extension term), the rent to owner may at no time exceed:

- (1) The reasonable rent for the unit as most recently determined or redetermined by the PHA in accordance with HUD requirements, or
- (2) Rent charged by the owner for comparable unassisted units in the premises.

5. Family Payment to Owner

- a. The family is responsible for paying the owner any portion of the rent to owner that is not covered by the PHA housing assistance payment.
- b. Each month, the PHA will make a housing assistance payment to the owner on behalf of the family in accordance with the HAP contract. The amount of the monthly housing assistance payment will be determined by the PHA in accordance with HUD requirements for a tenancy under the Section 8 voucher program.
- c. The monthly housing assistance payment shall be credited against the monthly rent to owner for the contract unit.
- d. The tenant is not responsible for paying the portion of rent to owner covered by the PHA housing assistance payment under the HAP contract between the owner and the PHA. A PHA failure to pay the housing assistance payment to the owner is not a violation of the lease. The owner may not terminate the tenancy for nonpayment of the PHA housing assistance payment.
- e. The owner may not charge or accept, from the family or from any other source, any payment for rent of the unit in addition to the rent to owner. Rent to owner includes all housing services, maintenance, utilities and appliances to be provided and paid by the owner in accordance with the lease.
- f. The owner must immediately return any excess rent payment to the tenant.

6. Other Fees and Charges

- a. Rent to owner does not include cost of any meals or supportive services or furniture which may be provided by the owner.
- b. The owner may not require the tenant or family members to pay charges for any meals or supportive services or furniture which may be provided by the owner. Nonpayment of any such charges is not grounds for termination of tenancy.
- c. The owner may not charge the tenant extra amounts for items customarily included in rent to owner in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

7. Maintenance, Utilities, and Other Services

- a. **Maintenance**

- (1) The owner must maintain the unit and premises in accordance with the HQS.
- (2) Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

b. **Utilities and appliances**

- (1) The owner must provide all utilities needed to comply with the HQS.
- (2) The owner is not responsible for a breach of the HQS caused by the tenant's failure to:
 - (a) Pay for any utilities that are to be paid by the tenant.
 - (b) Provide and maintain any appliances that are to be provided by the tenant.

c. **Family damage.** The owner is not responsible for a breach of the HQS because of damages beyond normal wear and tear caused by any member of the household or by a guest.

d. **Housing services.** The owner must provide all housing services as agreed to in the lease.

8. **Termination of Tenancy by Owner**

a. **Requirements.** The owner may only terminate the tenancy in accordance with the lease and HUD requirements.

b. **Grounds.** During the term of the lease (the initial term of the lease or any extension term), the owner may only terminate the tenancy because of:

- (1) Serious or repeated violation of the lease;
- (2) Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and the premises;
- (3) Criminal activity or alcohol abuse (as provided in paragraph c); or
- (4) Other good cause (as provided in paragraph d).

c. **Criminal activity or alcohol abuse.**

- (1) The owner may terminate the tenancy during the term of the lease if any member of the household, a guest or another person under a resident's control commits any of the following types of criminal activity:
 - (a) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
 - (b) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
 - (c) Any violent criminal activity on or near the premises; or
 - (d) Any drug-related criminal activity on or near the premises.

(2) The owner may terminate the tenancy during the term of the lease if any member of the household is:

- (a) Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- (b) Violating a condition of probation or parole under Federal or State law.

(3) The owner may terminate the tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

(4) The owner may terminate the tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.

d. **Other good cause for termination of tenancy**

(1) During the initial lease term, other good cause for termination of tenancy must be something the family did or failed to do.

(2) During the initial lease term or during any extension term, other good cause may include:

- (a) Disturbance of neighbors,
- (b) Destruction of property, or
- (c) Living or housekeeping habits that cause damage to the unit or premises.

(3) After the initial lease term, such good cause may include:

- (a) The tenant's failure to accept the owner's offer of a new lease or revision;
- (b) The owner's desire to use the unit for personal or family use or for a purpose other than use as a residential rental unit; or
- (c) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, the owner's desire to rent the unit for a higher rent).

(5) The examples of other good cause in this paragraph do not preempt any State or local laws to the contrary.

(6) In the case of an owner who is an immediate successor in interest pursuant to foreclosure during the term of the lease, requiring the tenant to vacate the property prior to sale shall not constitute other good cause, except that the owner may terminate the tenancy effective on the date of transfer of the unit to the owner if the owner: (a) will occupy the unit as a primary residence; and (b) has provided the tenant a notice to vacate at least 90 days before the effective date of such notice. This

provision shall not affect any State or local law that provides for longer time periods or addition protections for tenants. **This provision will sunset on December 31, 2012 unless extended by law.**

e. Protections for Victims of Abuse.

- (1) An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of the assistance, tenancy, or occupancy rights of such a victim.
- (2) Criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of domestic violence, dating violence, or stalking.
- (3) Notwithstanding any restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA, owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the housing choice voucher program.
- (4) Nothing in this section may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.
- (5) Nothing in this section limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a

more demanding standard than other tenants in determining whether to evict or terminate.

- (6) Nothing in this section may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance.
- (7) Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.

f. Eviction by court action. The owner may only evict the tenant by a court action.

g. Owner notice of grounds

- (1) At or before the beginning of a court action to evict the tenant, the owner must give the tenant a notice that specifies the grounds for termination of tenancy. The notice may be included in or combined with any owner eviction notice.
- (2) The owner must give the PHA a copy of any owner eviction notice at the same time the owner notifies the tenant.
- (3) Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under State or local law.

9. Lease: Relation to HAP Contract

If the HAP contract terminates for any reason, the lease terminates automatically.

10. PHA Termination of Assistance

The PHA may terminate program assistance for the family for any grounds authorized in accordance with HUD requirements. If the PHA terminates program assistance for the family, the lease terminates automatically.

11. Family Move Out

The tenant must notify the PHA and the owner before the family moves out of the unit.

12. Security Deposit

- a. The owner may collect a security deposit from the tenant. (However, the PHA may prohibit the owner from collecting a security deposit in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. Any such PHA-required restriction must be specified in the HAP contract.)
- b. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, as reimbursement for any unpaid rent payable by the tenant, any damages to the unit or any other amounts that the tenant owes under the lease.

- c. The owner must give the tenant a list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must promptly refund the full amount of the unused balance to the tenant.
- d. If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may collect the balance from the tenant.

13. Prohibition of Discrimination

In accordance with applicable equal opportunity statutes, Executive Orders, and regulations, the owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status or disability in connection with the lease.

14. Conflict with Other Provisions of Lease

- a. The terms of the tenancy addendum are prescribed by HUD in accordance with Federal law and regulation, as a condition for Federal assistance to the tenant and tenant's family under the Section 8 voucher program.
- b. In case of any conflict between the provisions of the tenancy addendum as required by HUD, and any other provisions of the lease or any other agreement between the owner and the tenant, the requirements of the HUD-required tenancy addendum shall control.

15. Changes in Lease or Rent

- a. The tenant and the owner may not make any change in the tenancy addendum. However, if the tenant and the owner agree to any other changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must be in accordance with the requirements of the tenancy addendum.
- b. In the following cases, tenant-based assistance shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner:
 - (1) If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
 - (2) If there are any changes in lease provisions governing the term of the lease;
 - (3) If the family moves to a new unit, even if the unit is in the same building or complex.
- c. PHA approval of the tenancy, and execution of a new HAP contract, are not required for agreed changes in the lease other than as specified in paragraph b.
- d. The owner must notify the PHA of any changes in the amount of the rent to owner at least sixty days before any such changes go into effect, and the amount of the rent to owner following any such agreed change may not exceed the reasonable rent for the unit as most recently determined or redetermined by the PHA in accordance with HUD requirements.

16. Notices

Any notice under the lease by the tenant to the owner or by the owner to the tenant must be in writing.

17. Definitions

Contract unit. The housing unit rented by the tenant with assistance under the program.

Family. The persons who may reside in the unit with assistance under the program.

HAP contract. The housing assistance payments contract between the PHA and the owner. The PHA pays housing assistance payments to the owner in accordance with the HAP contract.

Household. The persons who may reside in the contract unit. The household consists of the family and any PHA-approved live-in aide. (A live-in aide is a person who resides in the unit to provide necessary supportive services for a member of the family who is a person with disabilities.)

Housing quality standards (HQS). The HUD minimum quality standards for housing assisted under the Section 8 tenant-based programs.

HUD. The U.S. Department of Housing and Urban Development.

HUD requirements. HUD requirements for the Section 8 program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

Lease. The written agreement between the owner and the tenant for the lease of the contract unit to the tenant. The lease includes the tenancy addendum prescribed by HUD.

PHA. Public Housing Agency.

Premises. The building or complex in which the contract unit is located, including common areas and grounds.

Program. The Section 8 housing choice voucher program.

Rent to owner. The total monthly rent payable to the owner for the contract unit. The rent to owner is the sum of the portion of rent payable by the tenant plus the PHA housing assistance payment to the owner.

Section 8. Section 8 of the United States Housing Act of 1937 (42 United States Code 1437f).

Tenant. The family member (or members) who leases the unit from the owner.

Voucher program. The Section 8 housing choice voucher program. Under this program, HUD provides funds to a PHA for rent subsidy on behalf of eligible families. The tenancy under the lease will be assisted with rent subsidy for a tenancy under the voucher program.

**U.S. Department Of Housing And Urban Development
Office of Public and Indian Housing****SECTION 8 PROJECT-BASED VOUCHER PROGRAM****PBV AGREEMENT TO ENTER INTO
HOUSING ASSISTANCE PAYMENTS CONTRACT****NEW CONSTRUCTION OR REHABILITATION****PART I**

This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

1.1 Parties

This Agreement to Enter into Housing Assistance Payments Contract ("Agreement") is entered into between:

("PHA") and

("owner").

1.2 Purpose

The owner agrees to develop the Housing Assistance Payments Contract ("HAP contract") units to in accordance with Exhibit B to comply with Housing Quality Standards ("HQS"), and the PHA agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the PHA will enter into a HAP contract with the owner of the contract units.

1.3 Contents of Agreement

This Agreement consists of Part I, Part II and the following Exhibits:

EXHIBIT A: The approved owner's PBV proposal. (Selection of proposals must be in accordance with 24 CFR 983.51.)

EXHIBIT B: Description of work to be performed under this Agreement, including:

- if the Agreement is for rehabilitation of units, this exhibit must include the rehabilitation work write-up and, where the PHA has determined necessary, specifications and plans.
- if the Agreement is for new construction of units, the work description must include the working drawings and specifications.
- any additional requirements beyond HQS relating to quality, design and architecture that the PHA requires.
- work items resulting from compliance with the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements under section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23.

EXHIBIT C: Description of housing, including:

- project site.
- total number of units in project covered by this Agreement.
- location of contract units on site.
- number of contract units by area (size) and number of bedrooms and bathrooms.
- services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner.
- utilities available to the contract units, including a specification of utility services to be paid by owner (without charges in addition to rent) and utility services to be paid by the tenant.
- estimated initial rent to owner for the contract units.

EXHIBIT D: The HAP contract.

1.4 Significant Dates

- A. Effective Date of the Agreement: The Agreement must be executed promptly after PHA notice of proposal selection to the owner has been given. The PHA may not enter this Agreement with the owner until any required subsidy layering review has been performed and an environmental review has been satisfactorily completed in accordance with HUD requirements.
- B. A project may either be a single-stage or multi-stage project. A single-stage project will have the same Agreement effective date for all contract units. A multi-stage project will have separate effective dates for each stage.

☐**Single-stage project**

- i. Effective Date for all contract units: _____
- ii. Date of Commencement of the Work: The date for commencement of work is not later than _____ calendar days after the effective date of this Agreement.
- iii. Time for Completion of Work: The date for completion of the work is not later than _____ calendar days after the effective date of this Agreement.

☐**Multi-Stage Project**

Enter the information for each stage upon execution of the Agreement for the corresponding stage.

STAGE	NUMBER OF UNITS	EFFECTIVE DATE	DATE OF COMMENCEMENT OF WORK	TIME FOR COMPLETION OF WORK

1.5 Nature of the Work☐

This Agreement is for **New Construction** of units to be assisted by the project-based voucher program.

☐

This Agreement is for **Rehabilitation** of units to be assisted by the project-based voucher program.

1.6 Schedule of Completion

- A. **Timely Performance of Work:** The owner agrees to begin work no later than the date for commencement of work as stated in section 1.4. In the event the work is not commenced, diligently continued and completed as required under this Agreement, the PHA may terminate this Agreement or take other appropriate action. The owner agrees to report promptly to the PHA the date work is commenced and furnish the PHA with progress reports as required by the PHA.
- B. **Time for Completion:** All work must be completed no later than the end of the period stated in section 1.4. Where completion in stages is provided for, work related to units included in each stage shall be completed by the stage completion date and all work on all stages must be completed no later than the end of the period stated in section 1.4.
- C. **Delays:** If there is a delay in the completion due to unforeseen factors beyond the owner's control as determined by the PHA, the PHA agrees to extend the time for completion for an appropriate period as determined by the PHA in accordance with HUD requirements.

1.7 Changes in Work

- A. The owner must obtain prior PHA approval for any change from the work specified in Exhibit B which would alter the design or quality of the rehabilitation or construction. The PHA is not required to approve any changes requested by the owner. PHA approval of any change may be conditioned on establishment of a lower initial rent to owner as determined by PHA in accordance with HUD requirements.
- B. If the owner makes any changes in the work without prior PHA approval, the PHA may establish lower initial rents to owner as determined by the PHA in accordance with HUD requirements.
- C. The PHA may inspect the work during rehabilitation or construction to ensure that work is proceeding on schedule, is being accomplished in accordance with the terms of the Agreement, meets the level of material described in Exhibit B and meets typical levels of workmanship for the area.

1.8 Work Completion

- A. Conformance with Exhibit B: The work must be completed in accordance with Exhibit B. The owner is solely responsible for completion of the work.
- B. Evidence of Completion: When the work is completed, the owner must provide the PHA with the following:
1. A certification by the owner that the work has been completed in accordance with the HQS and all requirements of this Agreement.
 2. A certification by the owner that the owner has complied with labor standards and equal opportunity requirements in the development of the housing. (See 24 CFR 983.155(b)(1)(ii).)
 3. Additional Evidence of Completion: At the discretion of the PHA, or as required by HUD, the owner may be required to submit additional documentation as evidence of completion of the housing. Check the following that apply:
 - ☐ A certificate of occupancy or other evidence that the contract units comply with local requirements.
 - ☐ An architect or developer's certification that the housing complies with:
 - ☐ the HQS;
 - ☐ State, local or other building codes;
 - ☐ Zoning;
 - ☐ The rehabilitation work write-up for rehabilitated housing;
 - ☐ The work description for newly constructed housing; or
 - ☐ Any additional design or quality requirements pursuant to this Agreement.

1.9 Inspection and Acceptance by the PHA of Completed Contract Units

- A. Completion of Contract Units: Upon receipt of owner notice of completion of contract units, the PHA shall take the following steps:
 - 1. Review all evidence of completion submitted by owner.
 - 2. Inspect the units to determine if the housing has been completed in accordance with this Agreement, including compliance with the HQS and any additional requirements imposed by the PHA under this Agreement.
- B. Non-Acceptance: If the PHA determines the work has not been completed in accordance with this Agreement, including non-compliance with the HQS, the PHA shall promptly notify the owner of this decision and the reasons for the non-acceptance. The parties must not enter into the HAP contract at this point. However, work deficiencies may be corrected in accordance with Section 1.10 of this Agreement.
- C. Acceptance: If the PHA determines that the work has been completed in accordance with this Agreement, and that the owner has submitted all required evidence of completion, the PHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

1.10 Acceptance Where Work Deficiencies Exist

- A. If the PHA determines that work deficiencies exist, the PHA shall determine whether and to what extent the deficiencies are correctable, whether the units will be accepted after correction of the deficiencies, and the requirements and procedures (consistent with HUD requirements) for such correction and acceptance of contract units. The PHA shall notify the owner of the PHA's decision.
- B. Completion in Stages: When the units will be completed in stages, the procedures of this section shall apply to each stage.

1.11 Execution of HAP Contract

- A. Time and Execution: Upon acceptance of the units by the PHA, the owner and the PHA execute the HAP contract.

- B. Completion in Stages: When the units will be completed in stages, the number and types of units in each stage, and the initial rents to owner for such units, shall be separately shown in the HAP contract for each stage. Upon acceptance of the first stage, the owner shall execute the HAP contract and the signature block provided in the HAP contract for that stage. Upon acceptance of each subsequent stage, the owner shall execute the signature block provided in the HAP contract for such stage.
- C. Form of HAP contract: The terms of the HAP contract shall be provided in Exhibit D of this Agreement. There shall be no change in the terms of the HAP contract unless such change is approved by HUD headquarters. Prior to execution by the owner, all blank spaces in the HAP contract shall be completed by the PHA.
- D. Survival of Owner Obligations: Even after execution of the HAP contract, the owner shall continue to be bound by all owner obligations under the Agreement.

1.12 Initial Determination of Rents

- A. The estimated initial rent to owner shall be established in Exhibit C of this Agreement.
- B. The initial rent to owner is established at the beginning of the HAP contract term.
- C. The estimated and initial contract rents for each unit may in no event exceed the amount authorized in accordance with HUD requirements. Where the estimated or the initial rent to owner exceeds the amount authorized under HUD requirements, the PHA shall establish a lower estimated or initial rent to owner (as applicable), in accordance with HUD requirements.

1.13 Uniform Relocation Act

- A. A displaced person must be provided relocation assistance at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and implementing regulations at 49 CFR part 24.
- B. The cost of required relocation assistance may be paid with funds provided by the owner, or with local public funds, or with funds available from other sources. Payment of relocation assistance must be in accordance with HUD requirements.

- C. The acquisition of real property for a project to be assisted under the project-based voucher program is subject to the URA and 49 CFR part 24, subpart B.
- D. The PHA must require the owner to comply with the URA and 49 CFR part 24.
- E. In computing a replacement housing payment to a residential tenant displaced as a direct result of privately undertaken rehabilitation or demolition of the real property, the term “initiation of negotiations” means the execution of the Agreement between the owner and the PHA.

1.14 Protection of In-Place Families

- A. In order to minimize displacement of in-place families, if a unit to be placed under HAP contract is occupied by an eligible family on the proposal selection date, the in-place family must be placed on the PHA’s waiting list (if it is not already on the list) and, once its continued eligibility is determined, given an absolute selection preference and referred to the project owner for an appropriately sized unit in the project.
- B. This protection does not apply to families that are not eligible to participate in the program on the proposal selection date.
- C. The term “in-place family” means an eligible family residing in a proposed contract unit on the proposal selection date.
- D. Assistance to in-place families may only be provided in accordance with HUD requirements.

1.15 Termination of Agreement and HAP Contract

The Agreement or HAP contract may be terminated upon at least 30 days notice to the owner by the PHA or HUD if the PHA or HUD determines that the contract units were not eligible for selection in conformity with HUD requirements.

1.16 Rights of HUD if PHA Defaults Under Agreement

If HUD determines that the PHA has failed to comply with this Agreement, or has failed to take appropriate action, to HUD’s satisfaction or as directed by HUD, for enforcement of the PHA’s rights under this Agreement, HUD may assume the PHA’s rights and obligations under the Agreement, and may perform the obligations and enforce the rights of the PHA under the Agreement. HUD will, if it determines that the owner is not in

default, pay annual contributions for the purpose of providing housing assistance payments with respect to the dwelling unit(s) under this Agreement for the duration of the HAP contract.

1.17 Owner Default and PHA Remedies

A. Owner Default

Any of the following is a default by the owner under the Agreement:

1. The owner has failed to comply with any obligation under the Agreement.
2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
3. The owner has committed any fraud or made any false statement to the PHA or HUD in connection with the Agreement.
4. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
5. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD and:
 - A. The owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or
 - B. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.
6. The owner has engaged in any drug-related criminal activity or any violent criminal activity.

B. PHA Remedies

1. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights or remedies under the Agreement.

2. The PHA must notify the owner in writing of such determination. The notice by the PHA to the owner may require the owner to take corrective action (as verified by the PHA) by a time prescribed in the notice.
3. The PHA's rights and remedies under the Agreement include, but are not limited to: (i) terminating the Agreement; and (ii) declining to execute the HAP contract for some or all of the units.

C. PHA Remedy is not Waived

The PHA's exercise or non-exercise of any remedy for owner breach of the Agreement is not a waiver of the right to exercise that remedy or any other right or remedy at any time.

1.18 PHA and Owner Relation to Third Parties

A. Selection and Performance of Contractor

1. The PHA has not assumed any responsibility or liability to the owner, or any other party for performance of any contractor, subcontractor or supplier, whether or not listed by the PHA as a qualified contractor or supplier under the program. The selection of a contractor, subcontractor or supplier is the sole responsibility of the owner and the PHA is not involved in any relationship between the owner and any contractor, subcontractor or supplier.
2. The owner must select a competent contractor to undertake rehabilitation or construction. The owner agrees to require from each prospective contractor a certification that neither the contractor nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in contracts by any Federal department or agency or the Comptroller General. The owner agrees not to award contracts to, otherwise engage in the service of, or fund any contractor that does not provide this certification.

- B. Injury Resulting from Work under the Agreement: The PHA has not assumed any responsibility for or liability to any person, including a worker or a resident of the unit undergoing work pursuant to this Agreement, injured as a result of the work or as a result of any other action or failure to act by the owner, or any contractor, subcontractor or supplier.

- C. **Legal Relationship:** The owner is not the agent of the PHA and this Agreement does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractor or subcontractors used by the owner in the implementation of the Agreement.
- D. **Exclusion of Third Party Claims:** Nothing in this Agreement shall be construed as creating any right of any third party (other than HUD) to enforce any provision of this Agreement or the HAP contract, or to assert any claim against HUD, the PHA or the owner under the Agreement or the HAP contract.
- E. **Exclusion of Owner Claims against HUD:** Nothing in this Agreement shall be construed as creating any right of the owner to assert any claim against HUD.

1.19 PHA-Owned Units

Notwithstanding Section 1.18 of this Agreement, a PHA may own units assisted under the project-based voucher program, subject to the special requirements in 24 CFR 983.59 regarding PHA-owned units.

1.20 Conflict of Interest

- A. **Interest of Members, Officers, or Employees of PHA, Members of Local Governing Body, or Other Public Officials**
 - 1. No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the housing choice voucher program or project-based voucher program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to these programs, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, in the Agreement or HAP contract.

- 2. HUD may waive this provision for good cause.

- B. **Disclosure**

The owner has disclosed to the PHA any interest that would be a violation of the Agreement or HAP contract. The owner must fully and promptly update such disclosures.

1.21 Interest of Member or Delegate to Congress

No member of or delegate to the Congress of the United States of America or resident-commissioner shall be admitted to any share or part of the Agreement or HAP contract or to any benefits arising from the Agreement or HAP contract.

1.22 Transfer of the Agreement, HAP Contract or Property

A. PHA Consent to Transfer

The owner agrees that the owner has not made and will not make any transfer in any form, including any sale or assignment, of the Agreement, HAP contract or the property without the prior written consent of the PHA. A change in ownership in the owner, such as a stock transfer or transfer of the interest of a limited partner, is not subject to the provisions of this section. Transfer of the interest of a general partner is subject to the provisions of this section.

B. Procedure for PHA Acceptance of Transferee

Where the owner requests the consent of the PHA for a transfer in any form, including any sale or assignment, of the Agreement, the HAP contract or the property, the PHA must consent to a transfer of the Agreement or HAP contract if the transferee agrees in writing (in a form acceptable to the PHA) to comply with all the terms of the Agreement and HAP contract, and if the transferee is acceptable to the PHA. The PHA's criteria for acceptance of the transferee must be in accordance with HUD requirements.

C. When Transfer is Prohibited

The PHA will not consent to the transfer if any transferee, or any principal or interested party is debarred, suspended subject to a limited denial of participation, or otherwise excluded under 2 CFR part 2424, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

1.23 Exclusion from Federal Programs

A. Federal Requirements

The owner must comply with and is subject to requirements of 2 CFR part 2424.

B. Disclosure

The owner certifies that:

1. The owner has disclosed to the PHA the identity of the owner and any principal or interested party.
2. Neither the owner nor any principal or interested party is listed on the U.S. General Services Administration list of parties excluded from Federal procurement and nonprocurement programs; and none of such parties are debarred, suspended, subject to a limited denial of participation or otherwise excluded under 2 CFR part 2424.

1.24 Lobbying Certifications

A. The owner certifies, to the best of owner's knowledge and belief, that:

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the owner, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of the Agreement or HAP contract, or the extension, continuation, renewal, amendment, or modification of the HAP contract.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Agreement or HAP contract, the owner must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

B. This certification by the owner is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

1.25 Subsidy Layering

A. Owner Disclosure

The owner must disclose to the PHA, in accordance with HUD requirements, information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is made available or is expected to be made available with respect to the contract units. Such related assistance includes, but is not limited to, any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance.

B. Limit of Payments

Housing assistance payments under the HAP contract must not be more than is necessary, as determined in accordance with HUD requirements, to provide affordable housing after taking account of such related assistance. The PHA will adjust in accordance with HUD requirements the amount of the housing assistance payments to the owner to compensate in whole or in part for such related assistance.

1.26 Prohibition of Discrimination

A. The owner may not refuse to lease contract units to, or otherwise discriminate against, any person or family in leasing of a contract unit, because of race, color, religion, sex, national origin, disability, age or familial status.

B. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.* ; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d–4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.* ; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–

1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

- C. The PHA and the owner must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

1.27 PHA and HUD Access to Premises and Owner Records

- A. The owner must furnish any information pertinent to this Agreement as may be reasonably required from time to time by the PHA or HUD. The owner shall furnish such information in the form and manner required by the PHA or HUD.
- B. The owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises during normal business hours and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the owner to the extent necessary to determine compliance with the Agreement.

1.28 Notices and Owner Certifications

- A. Where the owner is required to give any notice to the PHA pursuant to this Agreement, such notice shall be in writing and shall be given in the manner designated by the PHA.
- B. Any certification or warranty by the owner pursuant to the Agreement shall be deemed a material representation of fact upon which reliance was placed when this transaction was entered into.

1.29 HUD Requirements

- A. The Agreement and the HAP contract shall be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements. The owner agrees to comply with all such laws and HUD requirements
- B. HUD requirements are requirements that apply to the project-based voucher program. HUD requirements are issued by HUD Headquarters as regulations, Federal Register notices or other binding program directives.

1.30 Applicability of Part II provisions – Check all that apply

- ☐ Training, Employment and Contracting Opportunities
Section 2.1 applies if the total of the contract rents for all units under the proposed HAP contract, over the maximum term of the contract, is more than \$200,000.
- ☐ Equal Employment Opportunity
Section 2.2 only applies to construction contracts of more than \$10,000.
- ☐ Labor Standards Requirements
Sections 2.4, 2.8 and 2.10 apply when this Agreement covers nine or more units.
- ☐ Flood Insurance
Section 2.11 applies if units are located in areas having special flood hazards and in which flood insurance is available under the National Flood Insurance Program.

EXECUTION OF THE AGREEMENT

PUBLIC HOUSING AGENCY

Name (Print) _____

By: _____

Signature of Authorized Representative

Official title (Print): _____

Date: _____

OWNER

Name (Print) _____

By: _____

Signature of Authorized Representative

Official Title (Print): _____

Date: _____

RFP PMB-2016-41

Competitive Sealed Proposals Offeror Identification Form

Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, HI 96817

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Competitive Sealed Proposals and hereby submits the following proposal to perform the work specified.

That the undersigned further understands and agrees that by submitting this Competitive Sealed Proposals, 1) it is declaring its Proposal is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) it is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____

Respectfully Submitted,

Telephone No.: _____

Legal Name of Offeror

Fax No.: _____

Payment address, if other than street
address at right:

Authorized Signature (Original)

Hawaii General Excise Tax Lic. I.D. No.:

Title

Social Security or Federal I.D. No.:

Street Address

City, State, Zip Code

Offeror is: ☐ Individual ☐ Partnership ☐ Corporation ☐ Joint Venture

State of Incorporation: ☐ Hawaii *☐ Other _____

*If "other", is corporate seal available in Hawaii? ☐ Yes ☐ No

Offeror's Office
Address: _____

Name of Person to Contract: _____

Telephone Number: _____ Fax Number: _____

Authorized Representative Signature _____

Name and Title _____

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